

ARTICLE ROUND UP

December 2009

ECONOMIC SECURITY

1. U.S. Direct Investment Abroad: Trends and Current Issues

James K. Jackson, CRS Report for Congress, November 5, 2009, 10 pages.

The United States is the largest investor abroad and the largest recipient of direct investment in the world. For some Americans, the national gains attributed to investing overseas are offset by perceived losses such as displaced U.S. workers and lower wages. Some observers believe U.S. firms invest abroad to avoid U.S. labor unions or high U.S. wages; however, 70% of U.S. foreign direct investment is concentrated in high-income developed countries. Even more striking is the fact that the share of investment going to developing countries has fallen in recent years. Most economists conclude that direct investment abroad does not lead to fewer jobs or lower incomes for Americans overall, and that the majority of jobs lost among U.S. manufacturing firms over the past decade reflect a broad restructuring of U.S. manufacturing industries.

2. THE ROOT OF THE FINANCIAL CRISIS

Arnold Kling, Policy Review, No. 158, December 2009-January 2010.

The author, a former economist at the Federal Reserve, notes that there is no single chief villain in the financial crisis of 2008; what characterized it was the magnitude of self-deception in all parties concerned. The crisis was both a market failure and a government failure – financial executives had too much confidence in their own risk-management strategies, and government regulators did not question the soundness of oversight measures in place. Says Kling, “there was a widespread gap between what people thought they knew to be true and what was actually true.” The failure to prevent the crisis was due to key policymakers’ lack of understanding -- if they had realized that the housing bubble could pose a risk, or that the market was distorted away from direct lending and toward securitization, they could have issued rules to banks to reduce their exposure, or they could have restricted the issuance of mortgage securities several years earlier. Available online at <http://www.hoover.org/publications/policyreview/72903637.html>

3. Losing Control

Mitchel B. Wallestein. Foreign Affairs

Strict export restrictions on advanced technology made sense during the Cold War, but today these outdated regulations are making US businesses less competitive and the country less secure. Policymakers must abandon their “Fortress America” mentality and craft new regulations to help, rather than harm, US interests.

4. How to Jump-Start the Clean-Tech Economy

Mark W. Johnson and Josh Suskewicz. HBR November 2009, page 52.

Instead of trying to plug new technologies into existing systems, innovators should rethink the systems themselves, as Thomas Edison did when he invented the light bulb.

5. China's End Run Around the U.S.

Dexter Roberts and Pete Engardio. BusinessWeek, November 23, 2009, 2 pages.

According to the authors, while China maintains dialogue with Washington, it is essentially doing an end run around the U.S. by pursuing a bewildering variety of free-trade pacts with its neighbors.

6. American Economic Relations with Asia

Marcus Noland. Asian Economic Policy Review, December 2009, 19 pages.

The United States and Asia share an enormous stake in each others' continuing prosperity. The author discusses the long-term challenges the Obama administration faces in organizing American economic diplomacy toward Asia, as well as the challenges of managing globalization and maintaining the open international economic order that has served American and Asian interests for decades already.

7. Issues in Trade and Protectionism

Dean Baker. Center for Economic and Policy Research, November 2009, 10 pages.

There is widespread concern that the United States and other countries are descending into a round of protectionism and moving towards a trade war; current circumstances are reminiscent of what the world experienced during the Great Depression. The author, Co-Director of the Center for Economic and Policy Research, explores the short- and long-term prospects for U.S. trade and how U.S. policies will affect U.S. trading partners.

8. Who Will Sustain Globalization?

Adam S. Posen. Current History, November 2009, 6 pages.

The author, a senior fellow at the Peterson Institute for International Economics, examines the consequences of the global financial crisis, particularly the U.S. role in and support for global economic integration in the wake of the global financial crisis of 2008-2009. The article discusses possibilities for backlash in Western countries, as well as ways to manage it.

GLOBAL and REGIONAL SECURITY

9. The Obama Administration and U.S. Policy in Asia

Robert Sutter. Contemporary Southeast Asia, August 2009, 28 pages.

The author, a visiting professor of Asian Studies at Georgetown University's School of Foreign Service, analyzes salient strengths and weaknesses of the United States' policy in Asia at the start of the Obama administration, and examines the new these policy positions and approaches to key U.S. allies in the region and Asian regional organizations.

10. Salon Luncheon with Former Secretary of State George Shultz

Robert Kagan and George Shultz. Carnegie Endowment for International Peace, October 27, 2009, 18 pages.

The United States is facing one of the most tumultuous moments in its history—from foreign policy crises in Afghanistan and Iran, to economic and healthcare challenges domestically. Foreign policies executed in the coming months and years could have a substantial effect on the future global balance of power, and could impact the achievement of major global goals, such as nuclear nonproliferation. The authors outline how the U.S. administration should approach the vast array of challenges currently facing the United States.

11. How to Govern a Multipolar World

David P. Calleo. Current History, November 2009, pages 361-367.

According to the author, the constitutionalist perspective embodied in the European Union offers lessons for how to bring peace and stability to an increasing plural world system.

12. The Forgotten Front

Christopher S. Bond and Lewis M. Simons. Foreign Affairs November/December 2009.

US policymakers can no longer afford to ignore Southeast Asia. Islamic militants pose a threat to stability in Indonesia, the Philippines and Thailand. But rather than relying on military power alone to do the job, the U.S. should use trade, aid, and education to alleviate poverty in the region, and win the hearts and minds of Southeast Asian Muslims.

13. Public Diplomacy 2.0: Where the U.S. Government Meets “New Media.”

The Heritage Foundation. Helle C. Dale. December 8, 2009, 11 pages.

Can Facebook and Twitter change the world? Can all the nifty new social-networking sites promote democracy and a better understanding of American values around the world? The potential is certainly there, as evidenced by the invaluable Twitter updates during the post-election protests in Iran. The U.S. government is embracing Web 2.0 for an ambitious strategy to reach previously untapped populations around the world, calling it Public Diplomacy 2.0. While the potential for progress is undeniable, so is the potential danger. Public diplomacy expert Helle Dale explains recent developments, strategies, benefits, and risks in cyber diplomacy.

Full Text: http://s3.amazonaws.com/thf_media/2009/pdf/bg2346.pdf

SOCIAL ISSUES AND GOVERNANCE

14. Where Are the Other Women Leaders?

Jenna Goudreau. Forbes.com, November 11, 2009.

Although most Americans are comfortable with women leaders across industries, women account for only 18 percent of the nation's top leaders and are still only making 78.7 cents to every dollar earned by a man, according to a study released by the White House Project. American women, the report found, are earning the majority of college degrees and make up more than half of middle managers, yet very few are reaching senior management levels. The United States, it says, ranks 71st out of 189 countries in terms of women's representation in politics--trailing behind the U.K., Japan and France -- and Afghanistan, Cuba and Pakistan. The report recommends setting targets and timelines for the number of women needed in top positions, focusing more on powerful female role models in the media, and increasing flexibility in workplace structures. Currently available online at <http://www.forbes.com/2009/11/13/women-leaders-white-house-project-forbes-woman-power-women-chief-executive.html>

15. Against Transparency

Lawrence Lessig. The New Republic, October 21, 2009, 8 pages.

There is no questioning the good that transparency creates in a wide range of contexts, particularly in the government. But does it have negative effects as well? The author, Director of Harvard's Edmond J. Safra Center for Ethics, examines transparency in politics and government, focusing on the impact of making all possible information relevant to decision-making available to the public.

16. The Mystery of Zomia

Drake Bennett, Boston Globe, December 6, 2009.

A mountainous region of Asia, extending from the Vietnamese highlands through Tibet and as far west as Afghanistan, is home to some 100 million people, and has been isolated from the traditional centers of power for over two millennia. This rugged swath of Asia was given the name Zomia by Dutch historian Willem van Schendel in 2002, as a way of differentiating the region from the lowland empires. In a recent book "The Art of Not Being Governed", Yale political scientist James Scott advances a controversial theory that Zomia represents an "anti-civilization", a place where people escape the poor prospects that complex societies traditionally have for those at the bottom. Many argue that Scott is over-generalizing, and that the traditions of the region evolved out of necessity or profit, but Scott and other scholars say that new thinking about regions such as Zomia will give a more complete view of history, and shed light on political instability in marginal border regions. Currently available online at http://www.boston.com/bostonglobe/ideas/articles/2009/12/06/the_mystery_of_zomia/

17. The Reconstruction of American Journalism

Leonard Jr. Downie, Michael Schudson. Columbia Journalism Review, November/December 2009.

The authors of this in-depth report ask hard questions about the function of the press and the future of “accountable” journalism as a public service at a time of crisis in the news media. They make six recommendations for the support of credible, independent and original news reporting. These include using new approaches to public and private financing of news organizations serving the public good, incorporating new dissemination vehicles while retaining downsized traditional formats, and utilizing volunteer news gatherers alongside professionals. Downie, a vice president and former executive editor of the Washington Post, and Schudson, a Columbia University journalism professor, call for leaders across the board “to seize this moment of challenging changes and new beginnings.” Currently available online at http://www.cjr.org/reconstruction/the_reconstruction_of_american.php

ENVIRONMENT

18. A Path to Sustainable Energy by 2030

Mark Z. Jacobson and Mark A Delucchi. Scientific American November 2009, page 58-65.

The authors explain how wind, water and solar technologies can provide 100 percent of the world’s energy, eliminating all fossil fuels.

19. The Other Climate Changers

Jessica Seddon Wallack, Veerabhadran Ramanathan. Foreign Affairs, September/October 2009; pg. 105, 9 pages.

The article discusses environmental protection. The author states that even though politicians are beginning to view climate change as a threat, and are making sincere efforts to reduce pollution, they would do better to protect the environment by reducing emissions of light-absorbing carbon particles and gases that form ozone. The author details the reasons that these particles, which are known as black carbon, are worse than traditional carbon dioxide emissions, and should be given priority in the effort to protect the Earth.

20. The Low-Carbon Diet

Joel Kurtzman. Foreign Affairs, September/October 2009; pg. 114, 9 pages.

The article discusses use of the free market to confront and reverse global climate change. The author claims that the best market-based tool to protect the environment is a cap-and-trade system for greenhouse gas emissions. Cap-and-trade systems are designed to make it expensive for businesses to emit greenhouse gases, which should motivate pollution producers to replace their emissions sources with technologies that are less damaging to the environment. The author details the history of cap-and-trade systems.

21. The Future of Water

Beth Kowitt. *Fortune*, October 12, 2009; pg. 111, 6 pages.

As the world's population grows, freshwater resources are growing increasingly scarce. This phenomenon is driving a global boom in the business of desalination. Soon, the world may not be able to slake its collective thirst without it.

AMERICAN SOCIETY and VALUES

22. The Future of Reading

Tom Peters. *Library Journal*, November 1, 2009, 5 pages.

The author, CEO of TAP Information Services, examines the future of reading and changing reading habits in the 21st century, with a focus on social and technological developments that have affected the practice of reading and literacy, including television and comic books. The article discusses the importance of libraries to the future of reading.

23. Improving Relevance, Evidence, and Performance in Teacher Preparation

James G. Cibulka. *The Education Digest*, October 2009, 6 pages.

The author, president of the National Council for Accreditation of Teacher Education, examines how to improve teacher education programs through comprehensive changes, focusing on the new approaches that will prepare teachers, school leaders, and education specialists for the challenges of the 21st century classroom.

24. Getting Places

Jim Mathews and Mark Wagler. *Connect Magazine*, September/October 2009, 4 pages.

The authors discuss the use of mobile media to increase place-based learning in the United States and how students can use technology, such as electronic mail and web searches, in their field research and investigations.

25. Online Learning: Reaching Out to the Skeptics

Thomas H. Benton. *The Chronicle of Higher Education*, September 18, 2009, 2 pages.

The author examines conflicting research regarding whether or not online courses are as effective in achieving learning outcomes as traditional classroom courses. The piece examines the author's own experiences in trying new online teaching methods, and how specific methods impact students.

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